UNITED STATES DEPARTMENT OF COMMERCE
**Patent and Trademark Office**
Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231

| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. |
|---|---|---|---|
| 09/222,336 | 12/28/98 | STORY G | 02541.P009 |

TM11/1020
BLAKELY SOKOLOFF TAYLOR & ZAFMAN
12400 WILSHIRE BOULEVARD
7TH FLOOR
LOS ANGELES CA 90025

| EXAMINER | |
|---|---|
| RETTA, Y | |
| **ART UNIT** | **PAPER NUMBER** |
| 2162 | |

**DATE MAILED:** 10/20/00

**Please find below and/or attached an Office communication concerning this application or proceeding.**

**Commissioner of Patents and Trademarks**

| Office Action Summary | Application No. 09/222,336 | Applicant(s) Story et al. |
|---|---|---|
| | Examiner Yehdega Retta | Group Art Unit 2162 |

☒ Responsive to communication(s) filed on *Jul 31, 2000*

☒ This action is **FINAL.**

☐ Since this application is in condition for allowance except for formal matters, **prosecution as to the merits is closed** in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire *3* month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

**Disposition of Claim**

☒ Claim(s) *1-8, 10-18, and 20-30* is/are pending in the applicat

Of the above, claim(s) _____ is/are withdrawn from consideration

☐ Claim(s) _____ is/are allowed.

☒ Claim(s) *1-8, 10-18, and 20-30* is/are rejected.

☐ Claim(s) _____ is/are objected to.

☐ Claims _____ are subject to restriction or election requirement.

**Application Papers**

☐ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

☐ The drawing(s) filed on _____ is/are objected to by the Examiner.

☐ The proposed drawing correction, filed on _____ is ☐ approved ☐ disapproved.

☐ The specification is objected to by the Examiner.

☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. § 119**

☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some* ☒ None of the CERTIFIED copies of the priority documents have been

☐ received.

☐ received in Application No. (Series Code/Serial Number) _____.

☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

*Certified copies not received: _____

☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

**Attachment(s)**

☒ Notice of References Cited, PTO-892

☒ Information Disclosure Statement(s), PTO-1449, Paper No(s). *5*

☐ Interview Summary, PTO-413

☐ Notice of Draftsperson's Patent Drawing Review, PTO-948

☐ Notice of Informal Patent Application, PTO-152

*— SEE OFFICE ACTION ON THE FOLLOWING PAGES —*

## DETAILED ACTION

### *Response to Amendment*

1. This office action is in response to amendment filed 7/31/00. Claims 1 and 11 have been amended.

### *Response to Arguments*

2. Applicant's arguments filed 7/31/00 have been fully considered but they are not persuasive.

### *Claim Rejections - 35 USC § 102*

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless --
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

4. Claims 1,2, 4-8, 10-12, 14-18 and 20-22 are rejected under 35 U.S.C. 102(b) as being clearly anticipated by Stefik et al U.S.Patent No. 5,629,980.

5. As per claims 1, 2 and 4-6, Stefik et al. (Stefik) disclose creating license having different cardinalities, the license created by a license management device; storing the license in a set of playback devices in response to a command from the license management device; storing the license in a digital contents (see col. 6 lines 37-66 and col. 19 lines 12-55 for digital content

referring to audio, Video etc) and authorizing playback of the digital content with the playback devices (see abstract, col. 11 lines 30-37 and col. 19 lines 12-55).

Applicant argues that the prior art (Stefik) associates the usage right (license) with the digital content not the payback. Examiner disagrees. Stefik teaches storing digital content (work), including the usage right (license), in user's repository (see col. 19 lines 50-55 and col. 36 lines 45-64). That means the usage right is stored in the playback device. Applicant's specification does not clearly disclose when and how the license is stored in the payback device. Applicant's also argues that the usage right is permanently attached to the digital work and copies made of digital work will have usage rights attached. This limitation however is not part of the claim.

6. Claims 7 and 8, are rejected as stated above in claim 1 and it is further noted that the playback device being a hardware or software is an inherent feature.

7. Claim 10 is rejected as stated above in claim 1.

8. Claims 11, 12 and 14-16 are rejected as stated above in claim 1.

9. Claim 20 is rejected as stated above in claim 11 and it is further noted that the playback device being a hardware or software is an inherent feature.

10. Claims 21 and 22 are rejected as stated above in claim 1.

11. Claims 24, 28-30 are rejected under 35 U.S.C. 102(e) as being clearly anticipated by Looney et al. U.S. Patent No. 5,969,283.

12. As per claim 24, Looney et al. (Looney) disclose license having a first cardinality being created by a license management device, the digital data signal further comprising a first digital audio content that is at least a subset of a digital audio programming, wherein a set of playback devices receive the digital data signal and authorize playback of the first digital audio signal if the license included in the data signal matches at least one license stored in the respective playback devices (see col. 2 lines 51-58 and col. 7 lines 8-59).

Examiner disagrees to Applicants argument that Looney does not teach or suggest licenses stored in a playback device and in a digital content wherein the payback devices receive the digital data signal and authorize the payback of the digital audio signal if the license included in the data signal matches a license stored in the respective playback devices. Examiner agrees that Looney discloses a music organizer that is capable of compressing digital data representing audio programming. Looney also discloses licenses stored in a payback device. Looney discloses the digital audio signal (package of data compressed songs and other software if applicable being tagged with a distinct serial number or other identifier and/or format that matches a pre-loaded serial number or format in the subscriber's particular center (see col. 7 lines 9-27). Looney discloses compact disc player, DAT or other audio playback medium being used by the center and the center determining whether the appropriate identification code and/or serial number matching that of the center is present. If not the downloading of the disc is terminated.

13. Claims 28 and 29 are rejected as stated above in claim 24 and it is further noted that the playback device being a hardware or software is an inherent feature (see col. 3 lines 6-10).

14. As per claim 30, Looney disclose the first digital audio comprising digital Video programming (see col. 3 lines 6-10 and col. 15 lines 6-23).

### *Claim Rejections - 35 USC § 103*

15. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

16. Claims 3, 13 and 23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Stefik et al. U.S. Patent No. 5,629,980 as applied to claims 1, 11 and 21 above, and further in view of Wyman U.S. Patent No. 5745879.

17. As per claims 3, 13, and 23, Stefik et al. does not specifically disclose at least one playback device belonging to a second set. Wyman disclose different nodes belonging to different accounts (see abstract and col. 1 lines 14-67). It would have been obvious to one of ordinary skill in the art at the time of applicant' invention to combine Stefik and Wyman's invention in order to provide flexibility or alternatives for varied licensing of parts or features of software packages as stated in Wyman (see col. 2 lines 18-34).

18. Claims 25-27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Looney et al. U.S. Patent No.5,969,283 as applied to claim 24 above, and further in view of Wyman U.S. Patent No. 5745879.

19. As per claims 25-27, Looney disclose access code authorizing the user's system playback the digital audio (see col. 2 lines 51-58). However it does not specifically disclose the cardinality being fixed, variable or unlimited, it is disclosed in Wyman (see col. 13 line 43 to col. 14 line 20). It would have been obvious to one of ordinary skill in the art at the time of applicant' invention to combine Looney and Wyman's invention in order to provide flexibility or alternatives for varied licensing of parts or features of software packages as stated in Wyman (see col. 2 lines 18-34).

***Conclusion***

20. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure..

Hillis U.S.Patent No. 6028936, method and apparatus for authentication recorded media.

Katz et al. U.S.Patent No. 5926624, digital information library and delivery system with logic for generating files targeted to the playback device.

21. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

22. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

23. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yehdega Retta whose telephone number is (703) 305-0436 The examiner can normally be reached on Monday-Friday from 7:30 a.m. to 4:00 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on (703) 305-9768.
Any response to this office action should be mailed to:

Commissioner of Patents and Trademarks
Washington, D.C. 20231

or faxed to:

(703) 308-9051, (for formal communications intended for entry)

or:

(703) 308-5397, (for informal or draft communications, please label "PROPOSED"or "DRAFT")

Hand-delivered responses should be brought to Crystal Park II, 2121 Crystal Drive Arlington, Virginia, (Receptionist).

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 305-3900.

James P. Trammell
Supervisory Patent Examiner
Technology Center 2700

Examiner
Yehdega Retta
Art Unit 2162
October 12, 2000